

CONTRACT
by and between
SHELBY COUNTY GOVERNMENT
and
LOONEY RICKS KISS ARCHITECTS, INC.
for
ENGINEERING/ARCHITECTURAL DESIGN SERVICES
FOR THE RENOVATION OF SHELBY COUNTY ADMINISTRATION BUILDING

This contract (the "Contract") entered into this _____ day of _____, 2010, and between SHELBY COUNTY GOVERNMENT, hereinafter referred to as "COUNTY" and Looney Ricks Kiss Architects, Inc., hereinafter referred to as "CONSULTANT".

WITNESSETH

WHEREAS, the COUNTY has the need to employ a consultant to provide Engineering/Architectural design services for the renovation of 160 North Main Street; and

WHEREAS, the COUNTY issued a Request for Proposals ("RFP") Number 10-009-16 Engineering/Architectural Design Services for the Renovation of Shelby County Administration Building and CONSULTANT responded to said RFP on October 23, 2009; and

WHEREAS, the CONSULTANT has the knowledge and expertise to provide such services; and

WHEREAS, the COUNTY awarded RFP Number 10-009-16 to CONSULTANT on December 30, 2009; and

WHEREAS, the parties are desirous of entering into a contract setting forth the terms and conditions under which the CONSULTANT will provide said services.

NOW THEREFORE, for and in consideration of mutual promises and covenants herein contained, the parties hereto agree as follows:

I. SCOPE OF WORK

1. The CONSULTANT shall provide the services as outlined within the County's RFP Number 10-009-16 Engineering/Architectural Design Services for the Renovation of Shelby County Administration Building and CONSULTANT's response thereto which are attached hereto as Exhibits

“A” and “B” respectively and incorporated herein by reference as if stated verbatim (the “Services”).

II. **TERM AND COMPENSATION**

1. The term of this Contract (the “Term”) will commence upon the execution of this Contract and continue until the Services are complete, not to exceed 90 calendar days.
2. The COUNTY agrees to compensate the CONSULTANT for the provision of the Services in accordance with Cost Proposal section of the Response to Request for bid, attached hereto as Exhibit “B” and incorporated herein by reference.

In any event, the sum total for the Services provided by CONSULTANT shall not to exceed Forty Two Thousand Nine Hundred Forty Two (\$42,942.00) Dollars (“the fee”) during any term of this Contract which shall include all reimbursable expenses. It is the duty of the CONSULTANT to monitor such fees, costs, and expenses to ensure the CONSULTANT does not exceed this total dollar amount. The COUNTY expressly reserves the right to deny payment of any amount billed in excess of \$42,942.00.

3. The CONSULTANT shall submit invoices to the COUNTY on a monthly basis for Services performed during the preceding month. Monthly statements for Services rendered shall be attached. The statements will be based upon CONSULTANT’s estimate of the proportion of the total services actually completed at the time of billing. Invoices shall be submitted in duplicate to the address set forth in the NOTICE section of this Contract to the attention of Mr. Diep Tran. The COUNTY shall pay such invoices within thirty (30) days of its receipt and approval of said invoices. The COUNTY is not obligated to pay, and will withhold from payment, any amounts the COUNTY has in dispute with the CONSULTANT based on CONSULTANT’S non-performance or negligent performance of any of the Services under this Contract.

III. **GENERAL CONDITIONS**

The parties further agree as follows:

1. **CONTROL**

All Services by the CONSULTANT will be performed in a manner satisfactory to the COUNTY, and in accordance with the generally accepted business practices and procedures of the COUNTY.

2. CONSULTANT'S PERSONNEL

The CONSULTANT certifies that it presently has adequate qualified personnel to perform all Services required under this Contract. All work performed during the Term of this Contract will be supervised by the CONSULTANT. The CONSULTANT further certifies that all of its employees assigned to serve the COUNTY have such knowledge and experience as required to perform the duties assigned to them. Any employee of the CONSULTANT who, in the opinion of the COUNTY, is incompetent, or whose conduct becomes detrimental to the work, shall immediately be removed from association with the Services under this Contract.

3. INDEPENDENT STATUS

- a. Nothing in this Contract shall be deemed to represent that the CONSULTANT, or any of the CONSULTANT's employees or agents, are the agents, representatives, or employees of the COUNTY. The CONSULTANT will be an independent CONSULTANT over the details and means for performing the Services under this Contract. Anything in this Contract which may appear to give the COUNTY the right to direct the CONSULTANT as to the details of the performance of the Services under this Contract or to exercise a measure of control over the CONSULTANT is solely for purposes of compliance with local, state and federal regulations and means that the CONSULTANT will follow the desires of the COUNTY only as to the intended results of the scope of this Contract.
- b. It is further expressly agreed and understood by CONSULTANT that neither it nor its employees or agents are entitled to any benefits which normally accrue to employees of the COUNTY; that CONSULTANT has been retained by the COUNTY to perform the Services specified herein (not hired) and that the remuneration specified herein is considered fees for the Services performed (not wages) and that invoices submitted to the COUNTY by CONSULTANT for the Services performed shall be on the CONSULTANT's letterhead.

4. REPORTS

CONSULTANT shall prepare and submit quarterly reports of its activities, funded under this Contract, to the originating department and the Contract Administration Department of the COUNTY. The reports shall include an itemization of the use of COUNTY's funds, pertinent information pursuant to the applicable Living Wage Ordinance, and shall be inclusive of specific

Services delivered. Any such reports provided to the COUNTY shall be prepared with the understanding that the COUNTY may make such reports available to the public. The quarterly reports and all books of account and financial records that are specific to the work performed in accordance with this Contract may be subject to audit by the Director of the Division of Administration and Finance of the COUNTY. The COUNTY shall have the right to withhold future disbursement of funds under this Contract and any future Contracts until this provision has been met.

5. TERMINATION OR ABANDONMENT

- a. It shall be cause for the immediate termination of this Contract if, after its execution, the COUNTY determines that:
 - i) Either the CONSULTANT or any of its principals, partners or corporate officers, if a corporation, including the corporation itself, has pled nolo contendere, or has pled or been found guilty of a criminal violation, whether state or federal, involving, but not limited to, governmental sales or purchases, including but not limited to the rigging of bids, price fixing, or any other collusive and illegal activity pertaining to bidding and governmental contracting; or
 - ii) CONSULTANT has subcontracted, assigned, delegated, transferred its rights, obligations or interests under this Contract without the COUNTY's consent or approval; or
 - iii) CONSULTANT has filed bankruptcy, become insolvent or made an assignment for the benefit of creditors, or a receiver, or similar officer has been appointed to take charge of all or part of CONSULTANT assets.
- b. The COUNTY may terminate the Contract upon five (5) days written notice by the COUNTY or its authorized agent to the CONSULTANT for CONSULTANT's failure to provide the Services specified under this Contract.
- c. This Contract may be terminated by either party by giving thirty (30) days written notice to the other, before the effective date of termination (the "Termination Date"). In the event of such termination, the CONSULTANT shall be paid for all Services rendered prior to the Termination Date, provided the CONSULTANT shall have delivered to COUNTY such statements, accounts, reports and other materials as required under this Contract; however, CONSULTANT shall not be compensated for

any anticipatory profits that have not been earned as of the date of the Termination Date. All Services completed by CONSULTANT prior to the Termination Date shall be documented and tangible work documents shall be transferred to and become the sole property of the COUNTY prior to payment for the Services rendered.

- d. Notwithstanding the above or any section herein to the contrary, CONSULTANT shall not be relieved of liability to the COUNTY for damages sustained by the COUNTY by virtue of any breach of the Contract by CONSULTANT and the COUNTY may withhold any payments to CONSULTANT for the purpose of setoff until such time as the exact amount of damages due the COUNTY from CONSULTANT is determined.
- e. The COUNTY has the option to cancel the Agreement and/or any Renewals if the County is put on notice of legal problems with CONSULTANT or any of its principals, partners, corporate officers, or agents, involving allegations of dishonesty, improper business conduct, or criminal activity. Cancellation under this provision shall be immediate and effective upon notice. The COUNTY reserves the right to exercise this provision at its discretion and any decision rendered by the COUNTY under this provision constitutes a final determination of the matter the public welfare requiring it.

6. COMPENSATION FOR CORRECTIONS

No compensation shall be due or payable to CONSULTANT pursuant to this Contract for any CONSULTANT's Services performed by the CONSULTANT in connection with effecting of corrections to the design of the Services, when such corrections are required as a direct result of negligence by the CONSULTANT to properly fulfill any of his obligations as set forth in this Contract.

7. SUBCONTRACTING, ASSIGNMENT OR TRANSFER

- a. Any subcontracting, assignment, delegation or transfer of all or part of the rights, responsibilities, or interest of either party to this Contract is prohibited unless by written consent of the other party. No subcontracting, assignment, delegation or transfer shall relieve the CONSULTANT from performance of the Services under this Contract. The COUNTY shall not be responsible for the fulfillment of the CONSULTANT's obligations to its transferors or subcontractors.

- b. Upon the request of the other party, the subcontracting, assigning, delegating or transferring party shall provide all documents evidencing the subcontract, assignment, delegation or transfer.

8. CONFLICT OF INTEREST

The CONSULTANT covenants that it has no public or private interest, and will not acquire directly or indirectly any interest which would conflict in any manner with the performance of the Services. The CONSULTANT warrants that no part of the total Contract Fee shall be paid directly or indirectly to any officer or employee of the COUNTY as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor or consultant to the CONSULTANT in connection with any work contemplated or performed relative to this Contract.

9. CONTINGENT FEES

The CONSULTANT warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the CONSULTANT, to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the CONSULTANT any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, the COUNTY will have the right to recover the full amount of such fee, commission, percentage, brokerage fee, gift, or other consideration.

10. EMPLOYMENT OF COUNTY WORKERS

The CONSULTANT will not engage, on a full, part-time, or any other basis during the Term of the Contract, any professional or technical personnel who are or have been at any time during the Term of the Contract in the employ of the COUNTY.

11. ACCESS TO RECORDS

During all phases of the work and Services to be provided hereunder, CONSULTANT agrees to permit duly authorized agents and employees of the COUNTY to enter CONSULTANT's offices for the purpose of inspections, reviews and audits during normal working hours. Reviews may also be accomplished at meetings that are arranged at mutually agreeable times and places. The CONSULTANT will maintain all books, documents, papers, accounting records, and other evidence pertaining to the Fee paid under this Contract and make such materials available at their offices at all reasonable times during the Term of this Contract and

for three (3) years from the date of payment under this Contract for inspection by the COUNTY or by any other governmental entity or agency participating in the funding of this Contract, or any authorized agents thereof. Copies of said records shall be furnished to the COUNTY upon request.

12. ARBITRATION

Any dispute concerning a question of fact in connection with the work not disposed of by agreement between the CONSULTANT and the COUNTY will be referred to the Shelby County Contract Administrator or its duly authorized representative, whose decision regarding same will be final.

13. RESPONSIBILITIES FOR CLAIMS AND LIABILITIES

- a. CONSULTANT shall indemnify, defend, save and hold harmless the COUNTY, and its elected officials, officers, employees, agents, assigns, and instrumentalities from and against any and all claims, liability, losses or damages—including but not limited to Title VII and 42 USC 1983 prohibited acts—arising out of or resulting from any conduct; whether actions or omissions; whether intentional, unintentional, or negligent; whether legal or illegal; or otherwise that occur in connection with or in breach of this Contract or in the performance of the Services hereunder, whether performed by the CONSULTANT its subcontractors, agents, employees or assigns. This indemnification shall survive the termination or conclusion of this Contract.
- b. CONSULTANT expressly understands and agrees that any insurance protection required by this Contract or otherwise provided by the CONSULTANT shall in no way limit the responsibility to indemnify, defend, save and hold harmless the COUNTY or its elected officials, officers, employees, agents, assigns, and instrumentalities as herein provided.
- c. The COUNTY has no obligation to provide legal counsel or defense to CONSULTANT or its subcontractors in the event that a suit, claim or action of any character is brought by any person not a party to this agreement against CONSULTANT as a result of or relating to performance of the Services under this Contract.
- d. Except as expressly provided herein, the COUNTY has no obligation for the payment of any judgment or the settlement of any claims against CONSULTANT as a result of or relating to performance of the Services under this Contract.

- e. CONSULTANT shall immediately notify the COUNTY of any claim or suit made or filed against CONSULTANT or its subcontractors regarding any matter resulting from or relating to CONSULTANT's performance of the Services under this Contract and will cooperate, assist and consult with the COUNTY in the defense or investigation thereof.

14. GENERAL COMPLIANCE WITH LAWS

- a. The CONSULTANT certifies that it is qualified or will take steps necessary to qualify to do business in the State of Tennessee and that it will take such action as, from time to time, may be necessary to remain so qualified and it shall obtain, at its expense all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of the Services under this Contract.
- b. The CONSULTANT is assumed to be familiar with and agrees that at all times it will observe and comply with all federal, state, and local laws, ordinances, and regulations in any manner affecting the performance of the Services. The preceding shall include, but is not limited to, compliance with all Equal Employment Opportunity laws, the Fair Labor Standards Act, Occupational Safety and Health Administration (OSHA) requirements, and the Americans with Disabilities Act (ADA).
- c. This Contract will be interpreted in accordance with the laws of the State of Tennessee. By execution of this Contract, the CONSULTANT agrees that all actions, whether sounding in contract or in tort, relating to the validity, construction, interpretation and enforcement of this Contract will be instituted and litigated in the courts of the State of Tennessee, located in Shelby County, Tennessee, and in no other. In accordance herewith, the parties to this Contract submit to the jurisdiction of the courts of the State of Tennessee located in Shelby County, Tennessee.

15. NON-DISCRIMINATION

The CONSULTANT hereby agrees, warrants, and assures compliance with the provisions of Title VI and VII of the Civil Rights Act of 1964 and all other federal statutory laws which provide in whole or in part that no person shall be excluded from participation or be denied benefits of or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the CONSULTANT on the grounds of handicap and/or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee State Constitutional or statutory law. The CONSULTANT shall upon request

show proof of such non-discrimination and shall post in conspicuous places available to all employees and applicants notices of non-discrimination.

16. ENTIRE AGREEMENT

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations or agreements, whether oral or written.

17. AMENDMENT

This Contract may be modified or amended only by written instrument signed by both parties.

18. SEVERABILITY

If any provision of this Contract is held to be unlawful, invalid or unenforceable under any present or future laws, such provision shall be fully severable; and this Contract shall then be construed and enforced as if such unlawful, invalid or unenforceable provision had not been a part hereof. The remaining provisions of this Contract shall remain in full force and effect and shall not be affected by such unlawful, invalid or unenforceable provision or by its severance here from. Furthermore, in lieu of such unlawful, invalid, or unenforceable provision, there shall be added automatically as a part of this Contract a legal, valid and enforceable provision as similar in terms to such unlawful, invalid or unenforceable provision as possible.

19. NO WAIVER OF CONTRACTUAL RIGHT

No waiver of any term, condition, default, or breach of this Contract, or of any document executed pursuant hereto, shall be effective unless in writing and executed by the party making such waiver; and no such waiver shall operate as a waiver of either (a) such term, condition, default, or breach on any other occasion or (b) any other term, condition, default, or breach of this Contract or of such document. No delay or failure to enforce any provision in this Contract or in any document executed pursuant hereto shall operate as a waiver of such provision or any other provision herein or in any document related hereto. The enforcement by any party of any right or remedy it may have under this Contract or applicable law shall not be deemed an election of remedies or otherwise prevent such party from enforcement of one or more other remedies at any time.

20. MATTERS TO BE DISREGARDED

The titles of the several sections, subsections, and paragraphs set forth in this contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this Contract.

21. SUBJECT TO FUNDING

This Contract is subject to annual appropriations of funds by the Shelby County Government. In the event sufficient funds for this Contract are not appropriated by Shelby County Government for any of its fiscal period during the Term hereof, then this Contract will be terminated. In the event of such termination, the CONSULTANT shall be entitled to receive just and equitable compensation for any satisfactory work performed as of the Termination Date.

22. TRAVEL EXPENSES

All travel expenses payable under this Contract shall be in accordance with the County Travel Policy and Procedures. This includes advance written travel authorization, submission of travel claims, documentation requirements, and reimbursement rates. No travel advances will be made by the County.

23. NON-LIABILITY FOR CONSULTANT EMPLOYEE TAXES

Neither CONSULTANT nor its personnel are COUNTY's employees, and COUNTY shall not take any action or provide CONSULTANT's personnel with any benefits and shall have no liability for the following:

- a. Withholding FICA (Social Security) from CONSULTANT's payments;
- b. Making state or federal unemployment insurance contributions on behalf of CONSULTANT or its personnel;
- c. Withholding state and federal income tax from payment to CONSULTANT;
- d. Making disability insurance contributions on behalf of CONSULTANT;
- e. Obtaining workers' compensation insurance on behalf of CONSULTANT or CONSULTANT's personnel.

24. INCORPORATION OF OTHER DOCUMENTS

- a. CONSULTANT shall provide Services pursuant to this Contract in accordance with the terms and conditions set forth within the Shelby County Request for Proposals/Bids as well as the Response of CONSULTANT thereto, all of which are maintained on file within the Shelby County Purchasing Department and incorporated herein by reference.
- b. It is understood and agreed between the parties that in the event of a variance between the terms and conditions of this Contract and any amendment thereto and the terms and conditions contained either within the Request for Proposals/Bids or the Response thereto, the terms and conditions of this Contract as well as any amendment shall take precedence and control the relationship and understanding of the parties.

25. CONTRACTING WITH LOCALLY OWNED SMALL BUSINESSES

The CONSULTANT shall take affirmative action to assure that Locally Owned Small Businesses that have been certified by the COUNTY are utilized when possible as sources of supplies and equipment, construction and services.

26. LIVING WAGE ORDINANCE AND PREVAILING WAGE ORDINANCE

Living Wage - In accordance with Ordinance Number 328, commonly referred to as the Living Wage Ordinance, all persons/entities engaged in service contracts with the County, including but not limited to both prime and subcontractors, shall pay a Living Wage to employees for all work performed on said service contract, as defined in the Living Wage Ordinance. Proof of such compensation must be evidenced as required in the Living Wage Ordinance.

Prevailing Wage – Any firm, individual, partnership or corporation awarded a contract by the COUNTY for the construction of, improvement, enlargement, alteration or replacement of a public work or project in excess of \$500,000 and any subcontractors of such public work or project in excess of \$100,000 (“Recipient”) shall be required to pay local prevailing wages and benefits for laborers, mechanics, or other listed classifications as defined by the Tennessee Department of Labor. The prevailing wage rate shall be the most current State of Tennessee prevailing wage established by the Tennessee Department of Labor For Region 1 (Shelby County). The benefit rates shall be the most current rates described in the published schedule by the Memphis and West Tennessee Building and Construction Trades Council, except as otherwise provided in the Shelby County Code of Ordinances. The

applicable rate shall be determined at the time that the project is awarded. In instances where Prevailing wage applies, Prevailing Wage will override the Living Wage requirement.

27. RIGHT TO REQUEST REMOVAL OF CONSULTANT's EMPLOYEES

The COUNTY may interview the personnel CONSULTANT assigns to COUNTY's work. COUNTY shall have the right, at any time, to request removal of any employee(s) of CONSULTANT, whom COUNTY deems to be unsatisfactory for any reason. Upon such request, CONSULTANT shall use all reasonable efforts to promptly replace such employee(s) with substitute employee(s) having appropriate skills and training.

28. INCORPORATION OF WHEREAS CLAUSES

The foregoing whereas clauses are hereby incorporated into this Contract and made a part hereof.

29. DISCLOSURE OF REPORTS, DATA OR OTHER INFORMATION

Notwithstanding anything to the contrary contained herein or within any other document supplied to COUNTY by CONSULTANT, CONSULTANT understands and acknowledges that COUNTY is a governmental entity subject to the laws of the State of Tennessee and that any reports, data or other information supplied to COUNTY by CONSULTANT due to Services performed pursuant to this Contract is subject to being disclosed as a public record in accordance with the laws of the State of Tennessee.

30. ORGANIZATION STATUS AND AUTHORITY

- a. CONSULTANT represents and warrants that it is a corporation, limited liability company, partnership, or other entity duly organized, validly existing and in good standing under the laws of the state of Tennessee; it has the power and authority to own its properties and assets and is duly qualified to carry on its business in every jurisdiction wherein such qualification is necessary.
- b. The execution, delivery and performance of this Contract by the CONSULTANT has been duly authorized by all requisite action and will not violate any provision of law, any order of any court or other agency of government, the organizational documents of CONSULTANT, any provision of any indenture, agreement or other instrument to which CONSULTANT is a party, or by which CONSULTANT's respective properties or assets are bound, or be in conflict with, result in a breach of, or constitute (with due notice

or lapse of time or both) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien , charge or encumbrance of any nature whatsoever upon any of the properties or assets.

31. INDEMNIFICATION AND INSURANCE REQUIREMENTS

- a. The CONSULTANT shall purchase and maintain, in a company or companies licensed to do business in the State of Tennessee, such insurance as will protect the COUNTY from claims which may arise out of or result from the CONSULTANT'S operations under the Contract, whether such operations are performed by himself or by any subcontractors or by anyone directly or indirectly employed by any of them, or by anyone for whose acts the CONSULTANT or subcontractor may be liable.
- b. The CONSULTANT will provide evidence of the following insurance coverage:

The Consultant/provider shall maintain coverage with limits of no less than:

- 1) *Commercial General Liability Insurance* \$1,000,000 limit per occurrence bodily injury and property damage/\$1,000,000 personal and advertising injury/\$2,000,000 General Aggregate/\$2,000,000 Products-Completed Operations Aggregate. Shelby County Government, its elected officials, appointees and employees shall be named as additional insured. The consultant/provider should indicate in its bid whether the coverage is provided on a claims-made or preferably on an occurrence basis. The insurance shall include coverage for the following:
 - a) Premises/Operations
 - b) Explosion, Collapse, & Underground coverage, if applicable
 - c) Products/Completed Operations
 - d) Contractual
 - e) Independent Contractors
 - f) Broad Form Property Damage
 - g) Personal Injury
- 2) *Business Automobile Liability Insurance* - \$1,000,000 each accident for property damage and personal injury. Coverage is to be provided on all:
 - a) Owned/Leased Autos
 - b) Non-owned Autos

c) Hired Autos

- 3) *Workers Compensation and Employers' Liability Insurance* - Workers Compensation statutory limits as required by Tennessee. This policy should include Employers' Liability Coverage for \$1,000,000 per accident.
- 4) *Professional Liability Insurance* - \$1,000,000 per claim/\$3,000,000 annual aggregate. Indicate if coverage is on occurrence basis or claims-made.

- c. All policies will provide for thirty (30) days written notice to COUNTY of cancellation or material change in coverage provided.
- d. CONSULTANT shall provide County with a current copy of the Certificate of Insurance at the time of contracting and shall maintain said insurance during the entire Contract period as well as provide renewal copies on each anniversary date. The certificate holder is to read:

Shelby County Government
Purchasing Department
160 N. Main, Suite 550
Memphis, TN 38103

- e. Upon termination or cancellation of insurance currently in effect under this Contract, the CONSULTANT shall purchase an extended reporting endorsement and furnish evidence of same to the County.

32. NOTICE

Any notices required or permitted to be given under the provisions of this Contract shall be effective only if in writing and delivered either in person to the COUNTY's authorized agent or by First Class or U.S. Mail to the addresses set forth below, or to such other person or address as either party may designate in writing and deliver as herein provided:

COUNTY: Shelby County Government
Support Services
584 Adams
Memphis, Tennessee 38103
Attn.: Mr. Diep Tran

and

Shelby County Government

Contract Administration
160 N. Main St., Suite 550
Memphis, Tennessee 38103

VENDOR: Looney Ricks Kiss Architects, Inc.
175 Toyota Plaza, Suite 600
Memphis, TN 38103
Attn: Mr. Rob Norcross

33. HIPAA

CONSULTANT warrants to the COUNTY and State that it is familiar with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this Contract. CONSULTANT warrants that it will cooperate with the COUNTY and State in the course of performance of the Contract so that all parties will be in compliance with HIPAA, including cooperation and coordination with COUNTY and State privacy officials and other compliance officers required by HIPAA and its regulations. CONSULTANT will sign any documents that are reasonably necessary to keep the State and the COUNTY in compliance with HIPAA, including, but not limited to, business associate agreements.

34. ORDER OF APPLICATION OF CONTRACT AND SUPPORTING EXHIBITS

In the event of a discrepancy or conflict between the terms of this Contract, the Request for Proposal (Exhibit A), and/or the Response to the Proposal (Exhibit B), the terms of this Contract shall control followed by the Request for Proposal (Exhibit A) and, lastly, the Response to the Proposal (Exhibit B).

35. INCORPORATION OF OTHER DOCUMENTS

It is agreed that the following documents are made a part of and incorporated fully into this construction Contract:

- A. Insurance Certificate
- B. Bid Specifications (RFP #10-009-16, Exhibit "A")
- C. Contractor's Bid/Proposal (Exhibit "B")
- D. List of subcontractors who will be performing work on project with attached required information (Exhibit "C").

IN WITNESS WHEREOF, the parties hereto have set their signatures for the purposes contained herein, on the day and date first above written.

**APPROVED AS TO FORM
AND LEGALITY:**

SHELBY COUNTY GOVERNMENT

Contract Administrator/
Assistant County Attorney

Joe Ford, Interim County Mayor

Looney Ricks Kiss Architects, Inc.

BY: _____
Robert B. Norcross, Principal

CORPORATE ACKNOWLEDGMENT

STATE OF _____

COUNTY OF _____

Before me, the undersigned Notary Public, in and for the State and County aforesaid, personally appeared _____, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself/herself to be president or other officer authorized by appropriate Corporate action and/or Resolution to execute the preceding instrument of the _____, the within named bargainor, a corporation, and that he as such _____, executed the foregoing instrument for the purpose herein contained, by signing the name of the corporation by himself/herself as _____.

Witness my hand and official seal at office this _____ day of _____, 2009.

Notary Public

EXHIBIT “B”

SCOPE OF WORK

The decision of the Shelby County Government to invest in a renovation of the Administration Building located at 160 Main will have tremendous impact on downtown Memphis. We look forward to partnering with Shelby County in upgrading the building to current standards for office building design, office space efficiency, energy efficiency, and current building code compliance. LRK has a unparalleled experience and a unique, creative approach that will assist you in developing the most appropriate solutions.

LRK understands that a renovation of the magnitude of the Shelby County Administration Building is an undertaking that expands beyond architecture and engineering into politics, real estate, risk management, and human resources. LRK has assembled a team and proposed scope options below to affirmatively assist the County in addressing the full spectrum of the project. Services that extend beyond the minimal requirements outlined are specifically indicated as “Optional Services.” It is our intention to work with the County to define and provide the appropriate services.

PROJECT DESCRIPTION

Shelby County Government (County) owns and operates a twelve-story office building located at 160 North Main Street, Memphis, Tennessee. The building is forty years old and needs to be refurbished to improve its efficiency, accessibility, and code compliance as well as user experience. This Project involves a complete renovation of all floors. Renovations include, but are not limited to, asbestos abatement, heating, ventilation, and air conditioning (HVAC) improvements, Americans with Disabilities Act (ADA) Title 2 upgrades, parking garage improvements, emergency generator plant improvements, current high-rise building code compliance, electrical improvements, and office design to establish functional and efficient space and furnishing standards. Similar to LRK’s renovation of the First Tennessee Tower, renovations of the Shelby County Administration Building will take place while the building is occupied and fully operational. Construction is expected to be phased two floors at a time and will likely extend for a number of years.

PROGRAMMING

The design team will begin the project by collecting existing building documentation, analyzing the existing building conditions, and meeting with key Shelby County Government personnel to learn as much about the current building operations as possible. The intent is to develop a

complete understanding of the project parameters from the diverse perspectives of the various parties associated with the building – the departments, operation staff, management, and occupants – so that design decisions can be calibrated for maximum impact.

During the Programming Phase, LRK will:

- Investigate the existing building systems,
- Walk the facility to identify ADA deficiencies
- Compare the existing conditions to current building code,
- Review the hazardous materials survey should one exist
- Study the existing core and shell components of the building
- Review the existing departmental space standard requirements and adjacencies (program)
- Prepare a preliminary sustainability checklist
- Begin a cost model

With this accumulated body of knowledge, LRK and the full design team will lead a one day workshop with the County to develop a Strategic Action Plan, including clearly defined project opportunities, constraints, goals, priorities, budget parameters, and potential design approaches.

This phase is intended to provide a holistic view of the project so that we can refine and clearly communicate County goals which will serve as the project's foundation and will inform every design decision as the project progresses to completion.

Analysis of Existing Building Systems:

The design team will conduct an analysis of existing building systems including architectural, mechanical, electrical, plumbing, and structural systems. Existing building documents will be analyzed to develop long term systems that provide flexibility, efficiency and sustainability for the building as required by Shelby County Government. We understand that building elevators were retrofitted in the last 5 years to comply with Americans with Disabilities Act Guidelines (ADAG), Title II compliance. We also understand that the chiller and the cooling tower were replaced in 1998.

Field Verification and Documentation:

Quality interior planning and documentation relies heavily upon accurate base building drawings. Often times accurate base building drawings are not readily available. LRK proposes to field verify the building to the extent required to produce base floor plans for space planning and preparation of interior construction documents. LRK will field verify interior dimensions of core and shell elements including existing hard wall partitions, toilet rooms, and services/spaces.

The base building drawings prepared by LRK will be based on readily observable conditions within the space as well as information provided to LRK by the County.

Optional Market Research Analysis:

While it was stated in the first prebid meeting that market research is not required, LRK believes that there is significant value to be gained by benchmarking the proposed renovation against other market alternatives. In today's economic climate, it is prudent to prove that a full range of potential options has been considered and that the decisions being made are both fiscally responsible and in the community's best interest.

Therefore, LRK has included the option for the services of Kemp Conrad of Commercial Alliance / Commercial Advisors Management to perform a benchmark comparison and market analysis of renovation to alternate real estate solutions to affirm Shelby County is achieving the best long term value available. Such an evaluation would likely include consideration of locational synergies, ownership, efficiency, and life cycle costs.

PROJECT MANAGEMENT

The key to a successful project is communication by an experienced project manager who is responsible for the project from start to finish. The role of the project manager is to work closely with the County team to establish goals for the project and to monitor the progress of the design team. The project manager will lead the development of the design phase, construction document phases, and a bid phasing plan that works in concert with move management strategies developed by the County.

Code Analysis including Americans with Disabilities Act Guidelines:

LRK has included Terry Hughes with Code Solutions Group, LLC to lead a code analysis of the building and to work closely with the design team to negotiate potential approaches for addressing current code requirements. Through a collaborative effort with Mr. Hughes and Shelby County Government, the design team will be able to accomplish code upgrades in creative, practical, and cost effective ways.

Cost Control and Estimating Services:

Larry Cockrum with Cockrum Consulting Services will provide cost estimating services for the project. Our experience has proven that defining a cost model early in the design phase and updating it at critical development stages of the project focuses the team's efforts on budget compliant solutions. This approach

increases efficiency of the team and creates a healthy balance to foster creative, viable solutions.

Project Scheduling:

Project scheduling is critical to maintaining an orderly advancement of the job. (An attached sample schedule used during LRK's renovation of the First Tennessee Tower illustrates the flow of a similar project). Generally, the schedule will define when departments are moved from existing floors, when equipment and furniture is relocated, when demolition and asbestos abatement is started, when asbestos testing is completed, when construction for each floor can begin, when furniture can be relocated into the finished space, and when departments can move back into the finished space. The main challenges of this sequence are:

- Maintaining continuity of operations,
- Maintaining continuity of construction activity to provide a cost effective flow of work, and
- Minimization of business disruption.

From our experience renovating occupied buildings, we believe the most efficient, effective way to work through the building is to begin work at the top, working two floors at a time and sequentially working down through the building. We will work with the County to cost effectively and efficiently solve the critical path needs for maintaining smooth, seamless departmental operations throughout the renovation process.

DESIGN SERVICES

According to the Building Owners and Managers Association, the largest operational expense for an office building is not energy, technology, maintenance or other similar items, but instead is the expense associated with staff salaries and benefits.

Staff salaries and expenses account for roughly 80% of the annual operation expense of an office building. From this statistic, it is easy to understand that the single most effective way to reduce operational cost is to increase staff productivity. Increased productivity and efficiency is achieved through well considered design. With the regions largest in-house commercial interior design staff, LRK is well versed in achieving well designed, highly efficient office environments for cutting edge Fortune 500 companies such as FedEx and Autozone as well as government agencies such as the Tennessee Governor, the Tennessee Bureau of Investigations, the Tennessee Department of Children's Services, and MLGW.

Programming, Blocking and Stacking Services:

Good space planning is the cornerstone of building efficiency. Good space planning is based on an understanding of the different user groups' work patterns, space requirements/standards, growth projections, recommended adjacencies, and culture. The best way for LRK to deliver an effective space plan to the Shelby County Government is for us to participate in a programming meeting with each department, to hear first-hand their requirements and expectations for their work environment as well as adjacency requirements to other departments and work areas. Ideally, the programming meeting would take place in each department's existing space, since the context can readily prompt discussion points about likes and dislikes, flow of work, etc. All program requirements will be measured against the established goals and objectives for the project and should be reviewed for approval by the primary County contact.

Space Planning Services:

LRK considers good space planning to be an art as well as a science. Twenty-six years and millions of square feet of office space design have built our portfolio into one of the largest and best in the region. Our designers are well credentialed, creative, and knowledgeable of workplace trends, market expectations, construction practices, and building/accessibility codes. We deliver thoughtful, high-quality, well-designed work—work with an eye toward sustainability and best practice as opposed to “off-the-shelf” design.

With a fully internalized understanding of the County's departmental space requirements (Program), LRK will develop efficient, functional layouts for each department beginning with individual work space standards and design “guidelines” to optimize the building's viable space. These guidelines will offer flexibility for the County in the future, as technology and staff requirements change over time. As successful space planning goes beyond an efficient floor plan diagram, it creates work places with character and personality, places which enhance work efforts and improve the quality of life for County employees.

Design Development Documents:

With the fundamental planning parameters established, LRK will develop the drawings to illustrate design intent, addressing every aspect of the build-out, including wall, floor, and ceiling design, lighting, power, voice/data, HVAC, security, as well as finishes, built-in millwork, and furnishings.

Outline specifications will be completed during this phase of the project and will be submitted to the County along with a full set of Design Development documents. All decisions regarding building and systems design should be final at the conclusion of the Design Development Phase.

Construction Documentation Services:

LRK has a reputation among our clients, consultants, and general contractors alike for providing thorough, detailed, and accurate construction drawings. Good drawings yield better construction, fewer conflicts in the field, and fewer change orders.

Construction documents consist of drawings and specifications setting forth the basic requirements for construction: dimensioned demolition and construction floor plans, reflected ceiling plans, finish legends, details and notes. LRK will develop a set of construction documents including drawings and specifications suitable for a hard bid construction contract. The documents will consist of Architecture, Structural, Mechanical, Plumbing, Fire Protection, Electrical and Civil Engineering (as needed) for the building.

Energy Efficiency and Sustainability:

As one of the top 50 sustainable design firms in the country, LRK considers energy efficiency and sustainability as the basic building blocks of good design. The design process is the same whether our clients desire third party certification of their sustainable efforts or not. In each case, the appropriate design measures are considered and employed on a specific project by project basis. Each design idea is holistically considered in terms of cost/benefit, operations, quality of life, and return on investment to confirm that the right decisions are made for the unique project needs.

LRK, Architectural Energy Corporation (AEC), and Gala Engineering will work closely with the County in evaluating potential design options ranging from daylighting through solar screening and on-site generation to mechanical optimization. With our current knowledge of the facility, we believe substantial energy efficiencies can be achieved through simple methods such as:

- Designing the interior space to take advantage of the free daylight so readily available with the narrow building footprint, thereby reducing the amount of lighting needed and reducing the heat load from the lighting.
- Incorporating solar shading on the west facade to reduce afternoon heat gain.
- Matching the mechanical system capacity to the reduced loads.

Through providing sustainable design strategies for projects such as the EPA's recent Denver Regional Office, AEC has developed an invaluable knowledge of third party financing options that can be utilized to make such advanced energy efficiency concepts as on site generation cost effective. We recommend exploring such innovative design and financing approaches as part of the initial design workshop with the County. This provides an excellent opportunity to demonstrate the County's leadership and commitment to the Sustainable Shelby program. AEC will assist the design team through the workshop and definition of the Strategic Plan. Should the County see benefit in pursuing advanced sustainable design and third party financing options, AEC's continued services can be incorporated as an Optional Service.

While LRK has developed the first LEED certified building and the only locally designed LEED certified building in West Tennessee, we understand that Shelby County is not at this time seeking third party certification of their efforts. Should this change, LRK and its 20 LEED accredited staff members can provide complete LEED administration as an Optional Service.

Mechanical Engineering:

Replacement of the failing mechanical system is recognized as one of the driving forces behind the Shelby County Administration Building renovation. When renovating the First Tennessee Tower, we encountered similar needs. Interestingly, the plan for renovating the First Tennessee mechanical systems originally called for the retention and retooling of the existing mechanical system. Through the course of the design process, LRK recognized that specific interior design measures, such as complete ceiling replacement and abatement of the asbestos fire protection, presented an opportunity to explore alternate mechanical solutions. In conjunction with the building's operations staff, the construction manager, and the design team, LRK led a construction and efficiency analysis which proved that a complete floor-by-floor conversion to a system based on above ceiling fan coil units would reduce both energy and ongoing operations costs. This commitment to repeatedly challenging accepted solutions characterizes LRK's approach to every aspect of the project. As the project's parameters evolve, our creative process is geared towards maximizing the potential benefits. As a direct benefit, First Tennessee now saves \$90,000 annually on their energy expenses.

Our initial thoughts are that the Shelby County Administration Building may achieve the most benefit from a conversion to a 4 pipe chilled water/hot water system. The exterior zones could be served by 4 pipe ceiling mounted fan coil units, and the interior zones could be served by either a central VAV system or additional 4 pipe ceiling mounted fan coil units. A new four pipe system is also well tailored to providing zone specific occupant comfort regardless of outdoor weather conditions or location of the zone inside the building. Additionally, a dedicated outdoor air system could be used to maintain a consistent high quality indoor air environment by providing neutral, dehumidified outdoor air throughout the building. This system also removes the outdoor air conditioning load from the central system which, in turn, allows for the fan coil units and central air handlers to be smaller in size.

A new digital building energy management system should also be considered to replace the existing pneumatic control system. This new system could facilitate the programming of occupied and unoccupied times, set point adjustments for all zones, and monitoring of all equipment of the entire building from a centralized control point, thereby minimizing the daily management and maintenance efforts.

While these thoughts present attractive options for consideration, it would be presumptuous to short circuit the design process by jumping to conclusions on system selections. Holistic designs are best achieved through a dedicated creative process where all ideas are considered from a diverse range of perspectives. This holistic design solution is the driving force behind our Programming workshop – invite all of the participants to the table, invite their ideas, encourage their perspectives, and collectively find the answer that provides the best balance.

Plumbing Engineering:

Adding, decommissioning, and rebuilding plumbing facilities throughout an occupied building requires a careful consideration of the impact on operational areas of the building. The law of gravity dictates that waste flows downhill and will be a prominent aspect of staging the construction phases of the renovation. Since the plumbing for any particular floor typically runs through the ceiling of the floor below, any plumbing modification immediately affects two floors and leads to potential abatement concerns on each of the floors. Since downstream interruptions of the waste flow decommissions all upstream facilities, downtime must be minimized and must be carefully scheduled – typically after hours and on weekends. In our role as Program Manager for the First Tennessee renovation, LRK quickly came to appreciate the significant impact and schedule constraints the plumbing sequencing dictated.

The design team has anticipated that the entire Administration Building plumbing system is to be rebuilt. During the Programming process, we will be reviewing the existing plumbing infrastructure, its accessibility, available chase space, and methods to sequence commissioning and decommissioning of plumbing facilities to identify the various approaches that will allow the creation of accessible men's and women's restroom facilities on each floor. With the County and the building operations staff assistance, each option will be considered and the best approach pursued.

Fire Protection:

In the renovation of any unsprinklered high-rise structure, it is recommended and frequently mandated that sprinkler protection be added. Even where complete sprinklering is not practical, many of the local unsprinklered high-rises have been required by the fire department to sprinkler the buildings on a floor-by-floor basis as major renovations occur. From a life safety standpoint, this is one of the most beneficial improvements that can be made. In fact, the International Building Codes place such high value on sprinkler systems that required fire protection ratings can be reduced and travel distance requirements extended when the facilities are fully sprinklered.

Terry Hughes role as code consultant will be to help us critically analyze the existing conditions, identify the most cost effective and appropriate compliance

paths, and, if necessary, present Board of Appeals arguments to formalize creative compliance solutions. Terry's ability to creatively solve code challenges and his relationships with the local building and fire departments from his tenure as Memphis and Shelby County Building Official have proven invaluable to LRK in navigating complex existing conditions challenges for the high-rise renovations of both 5350 Poplar and Toyota Center as well as the unique, fast paced NBA conversion of the Pyramid. His insightful approaches typically reduce construction expense and improve operational efficiency – both key goals in any renovation.

Electrical Engineering:

As with the mechanical and plumbing systems, a complete upgrade of the electrical system is expected. The new electrical system is anticipated to be designed to accommodate the flexibility, efficiency, and cost effectiveness required in a modern office building.

The scope of the electrical redesign will be tailored to address the sustainable and mechanical approaches defined by the Strategic Action Plan. For instance, while a complete lighting upgrade is anticipated, the number and type of fixtures as well as the control mechanisms are directly related to sustainable daylighting solutions that may be considered. To achieve the most cost effective, sustainable design, each of these system decisions and approaches should be made in concert so that each system complements the other systems.

Based upon our building walkthroughs and conversations with the building engineer, we understand that the existing fire alarm system was recently updated. We would provide additional speakers, strobes, power boosters and other devices necessary to comply with Codes for coverage on typical floors. A wholesale upgrade and replacement of the fire alarm system would not be expected at this time. Should the Strategic Action Plan indicate that additional fire alarm work is needed, the design team has the capabilities to provide these services.

It is expected, that as part of the high-rise code upgrades, the emergency generator would be upgraded to provide the additional power required for fire pumps, elevators, stairwell pressurization, as well as additional life safety lighting circuits for stairwells and floors.

It is also expected that new data circuits, fiber optics and other devices would be necessary to carry out this renovation. Our design scope anticipates new backbone fiber design, new telecom closet design, as well as station cabling from each floor telecom closets out to the individual users. At the present time the existing voice system is routed through the basement and into a PBX at 201 Poplar Avenue. We assume that this system would remain in place but new

telecom wiring would be installed from punch downs on each individual floor to the station users. Similarly, we assume that the existing card access control system, CCTV systems, backbone infrastructure would remain in place and the extent of the security upgrades would be those as required by Homeland Security. We will work with the County's Security Specialist, vendors and other parties to incorporate revisions to the electronic security system for the County Building.

Structural Engineering:

Miscellaneous structural design and contract administration services will be provided on an as needed basis. Such services for a project of this nature (major rehab of a 40 year old, high-rise office building) are likely to include the following:

- Analysis of existing building structural system based on review of plans (as available) and facility inspections
- Modifications to structure to accommodate redesigned vertical shafts (new openings, infill of existing openings)
- Modifications to accommodate redesigned MEP systems and associated distribution (new openings/chases, floor capacity for new mechanical systems, etc.)
- Assessment of floor capacity for heavy floor loads (e.g., IT/server loads, file storage, etc.)
- Miscellaneous modifications in response to ADA requirements
- Input regarding seismic restraint for architectural or other nonstructural components

We also propose as an Optional Service a review, evaluation, assessment, and initial recommendations relative to seismic considerations. This would address issues such as:

- What is the planned role or need for the Shelby County Administration Building in a post-quake recovery period and how does that affect renovation design parameters? This calls for an understanding of what services are performed in this building including plans for functions in a seismic emergency. What is importance of this building to Shelby County and Regional earthquake resiliency?
- What should be expected relative to the performance of the building if we do have an event? Any key issues that need to be recognized and understood? Any straightforward fixes that provide a "big bang for the buck" without breaking the budget?

- What levels of hazard should be considered? Emphasis is always on the “big one”. Should design address lesser levels of hazard that are more likely and can be more reasonably addressed?
- Need and criteria for seismic anchorage and bracing of nonstructural components
- Identification of key issues that may be practical to address stopping short of structural retrofit of the building such as connections of stairs to floor landings to ensure that stairs remain connected and serve their purpose for emergency egress
- Assistance in developing County earthquake disaster response plan relative to role of the Administration Building

Civil Engineering:

Limited civil engineering services are anticipated. It is anticipated that surveying and civil engineering will be required around the building and in the garage as a basis for providing accessible paths in compliance with the Americans with Disabilities Act.

It is also anticipated that civil engineering will be required should a fire protection sprinkler system be incorporated into the building.

BIDDING AND CONSTRUCTION ADMINISTRATION SERVICES

It is anticipated that Bidding and Construction Administration services will be added to the scope at a latter date.

ADDITIONAL OPTIONAL SERVICES:

Environmental Graphics Design Services:

LRK has a specialized approach to design, one which integrates each component of a person’s experience and a place – from the approach to the building (on foot or by vehicle) to parking to entering the building to finding the ultimate destination. A key component to a positive experience is recognition of building and departmental identity, the image projected, and ease of wayfinding. With our in-house environmental graphics design team, we propose graphic design and wayfinding signage be developed concurrently with the interior design of the project.

Seismic Risk Assessment:

We suggest that consideration be given to performing an initial (Phase 1) seismic risk assessment (SRA) for the Administration Building (including both structural and non-structural components and systems as well as critical services essential to the building's functionality.)

The fundamental purposes of the SRA would enhance the potential for substantially improving City, County, and regional resiliency to such an event (i.e., Memphis' ability to "return to normal in a reasonable period of time, if ever"). Specifically, such a SRA would determine if there are any significant seismic vulnerabilities (e.g., egress stair connections), cost effective means to reduce the risk, and assess appropriate seismic performance objectives for the renovation – specifically, for nonstructural systems and components. Consideration will be given to characterizing certain nonstructural components and systems as "critical and essential" in designing and specifying seismic anchorage and bracing. Such a study would identify if there are any weak links or single points of failure that deserve attention. Lastly, the SRA would pave the way for Shelby County to apply for federal grant monies dedicated to reducing such risk (the competitive FEMA PDM-C grant program – see: <http://www.fema.gov/government/grant/pdm/>).

NOTE: We do not anticipate and are not proposing that significant structural seismic retrofit is in order nor likely economically viable. We do suggest that having the best understanding of how the building might perform (with new MEP/ceiling systems) would be most helpful for County planning purposes. We also note that federal grant monies on the order of several million dollars per grant are available (on a competitive basis) and that a seismic risk mitigation project for the building housing key government functions in Memphis, TN, would be a good candidate.

SCHEDULE

The following proposed project schedule is based on a traditional design, bid, build method and contingent upon receipt of information and input from the County in a timely manner. One (1) to two (2) weeks is anticipated between phases for County review.

- Existing Building Conditions Assessment 6 weeks
- Programming (To Run Concurrent with Existing Building Conditions Assessment) 8 weeks
- Design Services 8 weeks
- Construction Documents 10 weeks
- Bidding and Negotiation TBD by phase
- Construction TBD by phase
- Close out TBD

LRK is available to work with you to determine your options should there be interested in modifying this schedule.

COST PROPOSAL

From the information that is available at this point in time and the stated \$12,000,000 to \$15,000,000 construction budget, we propose the following cost methodology:

Programming Phase

As programming is a relatively well defined scope, pending the addition of Optional Services described below, LRK proposes a Programming Phase Services fixed fee of \$42,942.

Schematic Design through Construction Documents

The Programming Phase Services are designed to dramatically narrow and more precisely define the full project scope. For instance, the Programming Phase will determine whether a stair should be removed and how the additional bathroom facilities will be inserted. Each of these items has a significant impact on the necessary Schematic through Construction Document design services and their corresponding fee. LRK believes it is in the County's best interest to establish a fixed design fee once the project scope is more clearly defined in the Programming Phase.

Based on the broad nature of the information provided by the RFP, the pre-bid meetings, and our tour of the building, we anticipate the design fee for Schematic Design through Construction Documents to be in the range of 4.5 to 6.5% (\$540,000 to \$975,000) of the construction budget. Upon completion of the Programming Phase's project scope definition, LRK and the County will refine the fee range to a fixed cost based on the actual approved project scope.

Bidding and Negotiation, Construction Administration, and Project Closeout

At this time, the number of bid packages, the number of separate construction contractors, the number of construction phases, and the expected length of construction are significant unknowns that will have a direct impact on the cost of delivering appropriate design, project management, and construction administration services during these phases.

Based on the significant unknowns regarding the phasing, number of construction contracts, and duration of project construction, LRK believes that the County will achieve the most appropriate cost for these phases through negotiation at such time as the variables are substantially defined. Therefore, LRK proposes that the cost for services of these phases be negotiated on either an hourly basis or a fixed fee in accordance with the County's preference. Standard services for Bidding and Negotiation, Construction Administration, and Project Closeout are typically 25 to 30% of the total design services fee.

Optional Services Cost

Should the County agree that there is substantial benefit to be gained from Optional Services, such as seismic risk assessment, advanced energy strategies (beyond the base mechanical system's efficient design), and real estate cost benefit advisory services, LRK will work with the County to determine the appropriate scope of services and the corresponding costs.